

**BEFORE THE
FEDERAL ELECTION COMMISSION**

American Democracy Legal Fund
455 Massachusetts Avenue, N.W.
Washington, DC 20001

Complainant,

v.

Senator Rand Paul
P.O. Box 77681
Washington, DC 20013

Rand Paul for President, Inc.
P.O. Box 77681
Washington, DC 20013

Treasurer of Rand Paul for President, Inc.
P.O. Box 77681
Washington, DC 20013

Peter Schweizer
195 Broadway
New York, NY 10007

HarperCollins Publishers
195 Broadway
New York, NY 10007

Respondents.

COMPLAINT

Complainant files this complaint under 52 U.S.C. § 30109(a)(1) against (i) Senator Rand Paul, (ii) Rand Paul for President, Inc., Senator Paul's authorized campaign committee, (iii) the treasurer of Rand Paul for President, Inc., in his or her official capacity, (iv) Peter Schweizer, and (v) HarperCollins Publishers for violating the Federal Election Campaign Act of 1971, as amended ("the Act") and Federal Election Commission regulations, as described below.

MUR # 6938

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A. FACTS

Senator Rand Paul is a United States Senator from Kentucky seeking the Republican nomination for President of the United States.¹ Recently, Senator Paul received an exclusive briefing on an upcoming book, *Clinton Cash*, by the book's author, Peter Schweizer.² *Clinton Cash*, which is being published by HarperCollins Publishers and scheduled to be released on May 5, 2015, investigates foreign donations made to the Clinton Foundation, a foundation formed by former President Clinton and his wife, former Secretary of State Hillary Clinton.³ Secretary Clinton is currently seeking the Democratic nomination for President of the United States and thus, is a potential opponent for Senator Paul in the general election on November 8, 2016.⁴

Throughout his presidential campaign, Senator "Paul has attacked [Secretary Clinton] over the Clinton foundation's practices and her own record as secretary of state more frequently and vigilantly than anyone else who might seek the Republican nomination."⁵ Senator Paul recently confirmed that he met with Schweizer to receive an exclusive preview of the findings and contents in *Clinton Cash* prior to its public release.⁶ Senator Paul is expected to lean heavily

¹ See Rand Paul Statement of Candidacy (filed April 8, 2015).

² Amy Choick, *New Book, 'Clinton Cash,' Questions Foreign Donations to Foundation*, N.Y. TIMES, (April 19, 2015), available at <http://www.nytimes.com/2015/04/20/us/politics/new-book-clinton-cash-questions-foreign-donations-to-foundation.html>.

³ *Id.*; see also HarperCollins Publishers, "About the Book, Clinton Cash", available at <http://pr.harpercollins.com/books/Clinton-Cash-Peter-Schweizer/?isbn=9780062369284> (last accessed April 27, 2015); Clinton Foundation, "Clinton Foundation History," available at <https://www.clintonfoundation.org/about/clinton-foundation-history>.

⁴ Hillary Rodham Clinton Statement of Candidacy (filed April 13, 2015).

⁵ David Weigel, *More Senators Say They Haven't Been Briefed on Clinton Cash*, BLOOMBERG POLITICS (April 21, 2015), available at <https://www.bloomberg.com/politics/articles/2015-04-21/more-senators-say-they-haven-t-been-briefed-on-clinton-cash>.

⁶ *Id.*; Choick, *supra* note 2; see also Sam Stein, Twitter (Apr. 21, 2014, 1:04 PM EST), <https://www.twitter.com/samsteinhp/status/590607121953218560> (noting Senator Paul was the only senator briefed on *Clinton Cash*).

on *Clinton Cash* and talk specifically about the book's content as he campaigns, especially as the book's May 5, 2015 release date gets closer.⁷

In fact, since receiving a preview of *Clinton Cash*, Senator Paul used the book in his campaign rhetoric. Soon after meeting with Schweizer, Senator Paul began speaking about the "unseemly" content in the book that Schweizer told him is contained in the book.⁸ Senator Paul said the book is "'big news' that will 'shock people' and make voters 'question' the candidacy of" Secretary Clinton.⁹ He detailed particular cases in the book that "bothers" him and "should bother voters the most."¹⁰ He also has said the book's allegations are "very concerning—and this goes to the point of whether we should trust [Secretary Clinton] to hold high office."¹¹ Senator Paul said he thinks that the book's contents preclude Secretary Clinton from being seriously considered for the presidency.¹²

B. LEGAL ARGUMENT

Federal law prohibits individuals from making a contribution in the aggregate in excess of more than \$2,700 to a candidate for federal office per election.¹³ Corporations are prohibited from making any contributions to federal candidate committees.¹⁴ A contribution is "any direct or indirect payment, distribution, loan, advance, deposit, or gift of money, or any services, or anything of value" to a political committee in connection with a federal election.¹⁵ Anything of value includes in-kind contributions, such as goods or services provided without charge or at a

⁷ Weigel, *supra* note 5.

⁸ *Id.*

⁹ Chozick, *supra* note 2.

¹⁰ Matthew Boyle, *Exclusive - Rand Paul: Obama White House, Congress Should Both Consider Investigating Hillary Clinton's Uranium Deal*, BREITBART (April 23, 2015), available at <http://www.breitbart.com/big-government/2015/04/23/exclusive-rand-paul-obama-white-house-congress-should-both-consider-investigating-hillary-clintons-uranium-deal/>.

¹¹ *Id.*

¹² *Id.*

¹³ See 11 C.F.R. 110.1(b); see Contribution Limits for 2015-2016 Federal Elections, Federal Election Commission, available at <http://www.fec.gov/pages/brochures/contrib.shtml#Chart>.

¹⁴ 52 U.S.C. § 30118(a).

¹⁵ *Id.* §§ 30118(b)(2), 30101(8)(a); 11 C.F.R. § 114.1(a)(1).

charge that is less than the usual and normal charge for such goods or services.¹⁶ In-kind contributions are treated as if the committee expend funds to purchase the goods or services provided to it.¹⁷

Schweizer and HarperCollins Publishers provided Senator Paul, a Republican presidential candidate, something of value in connection with the 2016 presidential election: access to nonpublic information contained in *Clinton Cash* about Secretary Clinton, a Democratic presidential candidate. Because a contribution includes anything of value, including in-kind contributions, Senator Paul has accepted and Peter Schweizer has made an excessive in-kind contribution after Schweizer gave Senator Paul an exclusive preview and briefing of his new book *Clinton Cash*. Further, Senator Paul has accepted, and the corporate publisher of *Clinton Cash*, HarperCollins Publishers, has made, an impermissible corporate contribution because on this exclusive briefing.

Prior to receiving a preview of *Clinton Cash*, Senator Paul had been a frequent and vocal critic of "the Clinton foundation's practices and [Secretary Clinton's] own record as secretary of state."¹⁸ In fact, Senator Paul spoke on these topics "more frequently and vigilantly than anyone else who might seek the Republican nomination."¹⁹ By giving Senator Paul access to the content of *Clinton Cash* before it was released to the general public, Schweizer and HarperCollins Publishers gave Senator Paul something of value in the form of information for him to use in his campaign against Secretary Clinton.

Senator Paul has already used the information he learned in the briefing to attack Secretary Clinton and her candidacy. Specifically, Senator Paul detailed particular cases in the

¹⁶ 11 C.F.R. § 100.52(d)(1).

¹⁷ FEC Adv. Op. 1992-33 (RNC/DNC).

¹⁸ Weigel, *supra* note 5.

¹⁹ Weigel, *supra* note 5.

book that "bothers" him and "should bother voters the most."²⁰ He also has said the book's allegations are "very concerning—and this goes to the point of whether we should trust [Secretary Clinton] to hold high office."²¹ Senator Paul has used the book as a campaign tool saying that the book's contents preclude Secretary Clinton from being seriously considered for the presidency.²² Thus, Schweizer and HarperCollins Publishers provided Senator Paul something of value for his presidential campaign: access to nonpublic information in an unreleased book related to another presidential candidate.

Because anything of value includes in-kind contributions, including goods or services provided without charge or at a charge that is less than the usual and normal charge for such goods or services,²³ Schweizer and HarperCollins Publishers clearly provided an in-kind contribution to Senator Paul when Schweizer provided Senator Paul with exclusive information contained in *Clinton Cash* prior to its release for him to use in his presidential campaign against Secretary Clinton. The value of this in-kind contribution is likely in excess of \$2,700. Therefore, Senator Paul accepted and Schweizer made an excessive in-kind campaign contribution. Additionally, because corporate contributions are prohibited, HarperCollins Publisher made and Senator Paul accepted an impermissible corporate contribution.

C. REQUESTED ACTION

As shown, Senator Paul has accepted and Peter Schweizer has made an excessive in-kind contribution. Further, HarperCollins Publishers has made and Senator Paul has accepted an impermissible corporate contribution. Respondents, Senator Paul, Rand Paul for President, Inc. and its treasurer, in his or her official capacity, Peter Schweizer, and HarperCollins Publishers,

²⁰ Boyle, *supra* note 10.

²¹ *Id.*

²² *Id.*

²³ 11 C.F.R. § 100.52(d)(1).

have violated the Act and FEC regulations by accepting and/or making such impermissible contributions. We respectfully request that the Commission promptly investigate these violations, and that Respondents be enjoined from further violations and be fined the maximum amount permitted by law.

Sincerely,

Brad Woodhouse

SUBSCRIBED AND SWORN to before me this 29 day of April, 2015.

[Signature]

Notary Public

My Commission Expires:

JAN 14, 2020

